



USAID | **FACILITANDO COMERCIO**

Annual Report

June 2010 – September 2011

Peru and Andean Trade Capacity Building
Program: USAID/Facilitando Comercio

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Glossary

ADSL	Asymmetric Digital Subscriber Line
AEO	Authorized Economic Operator
BASC	Business Alliance to Promote Secure Commerce (Bolivia)
CADEX	Chamber of Exporters of Santa Cruz (Bolivia)
CADEXCO	Chamber of Exporters of Cochabamba (Bolivia)
	Chamber of Industry, Commerce, Services & Tourism of Santa Cruz (Bol)
CAINCO	
CANEB	Bolivian Institute of Foreign Commerce
COO	Certificate of Origin
DIAN	Direction of National Taxes and Customs (Colombia)
DIGEMID	General Direction of Medicine and Drugs
DIGESA	General Direction of Health and Environment
DIJIN	Direction of Criminal Investigation and INTERPOL (Colombia)
FCC	Federal Communications Commission
FUNDES	Foundation for Sustainable Development
GOC	Government of Colombia
GOE	Government of Ecuador
GOP	Government of Peru
GOB	Government of Bolivia
HACCP	Hazard Analysis and Critical Control Points (Certification)
IBCE	Bolivian Institute of Foreign Commerce
IBNORCA	Bolivian Institute of Normalization and Quality
	National Institute for the Protection of Intellectual Property, Ecuador
IEPI	
INDECI	National Institute of Civil Defense
	National Institute for the Defense of Consumers and Intellectual Property
INDECOPI	
ISO	International Standards Organization
ISPS	International Ship and Port Facility Security Code
MEF	Ministry of Economy and Finance
MINCETUR	Ministry of Foreign Trade and Tourism
MINJUS	Ministry of Justice
MIS	Management Information System
MOL	Ministry of Labor
MTC	Ministry of Transportation and Communications
MVNO	Mobile Virtual Network Operators
NB	Bolivian Regulation
NCC	National Competitiveness Council
NLPL	New Labor Procedural Law
	Office of Overseas Prosecutorial Development, Assistance and Training
OPDAT	

OSIPTEL	Oversight Organism of Private Investment in Telecommunications
PMM	Program for Municipal Modernization
PMS	Public Management Secretariat
PTPA	Peru Trade Promotion Agreement
SADA	Customs Anticipated Clearance System
SENASA	National Service of Agricultural Sanitation
SIC	Colombian Superintendence of Industry and Commerce
SME	Small and Medium Enterprise
TLT	Trademark Treaty
USG	United States Government
VUCE / SW	Single Window of Foreign Trade

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I. Executive Summary

The present report summarizes USAID | Facilitando Comercio's main results and activities during the first extended year of the Project (June 2010 – September 2011). During this time, the Project has conducted activities in Peru, Colombia, Bolivia and Ecuador, contributing to strengthening trade capacities throughout the region.

Trade Promotion Agreements are important for fostering an enabling environment for trade capacity building initiatives. In Peru, the PTPA with the U.S. has been in force since February 1st 2009, and since then, the Peruvian Government has undertaken continued efforts to fully implement the PTPA and strengthen trade capacity. On October 12th 2011, the U.S. Congress ratified its TPA with Colombia, which will create a more demanding environment for developing a wider variety of activities with the Colombian Government.

During the review period, USAID | Facilitando Comercio has worked in Peru across all six components, implementing trade capacity activities among a wide variety of public and private counterparts, which have included the Judiciary, the Ministry of Labor, the National Institute for the Defense of Competition and the Protection of Intellectual Property, and the Ministry of Foreign Trade and Tourism, among others. Support has been provided to 15 government institutions and 20 local municipalities, performing a total of 139 training events that assisted 5,058 officials and entrepreneurs.

With respect to regional activities, the Project has focused activities on Intellectual Property and Trade Facilitation. In Colombia, the Project has worked with 4 institutions and carried out 10 training events in the same number of cities for 230 judges. Additionally, trainings for 166 crafts artisans have been provided for obtaining collective brand certifications. In Ecuador, two activities are currently underway, one to promote secure commerce certification by 40 Ecuadorian MSEs and the other to promote the differentiation of a cacao variety. In Bolivia, despite the Government's reluctance to work with USAID, the Project is starting activities with private counterparts. In that regard, it is expected that more than 90 MSEs will undertake training in Trade and Intellectual Property topics.

The Project's key accomplishments in the evaluated period include:

<i>Peru</i>	
Labor	<ul style="list-style-type: none">• Support the implementation of the new Labor Procedural Law (LPL) by organizing training events to discuss how it should operate with judges in 5 Courts where the law is currently in force, training 237 officials.• Formulation of Regulatory Compendiums for the Ministry of Labor: Child Labor, Forced Labor, Equality of Opportunities and Nondiscrimination, as to promote that Fundamental Rights of these groups be widely known and respected.

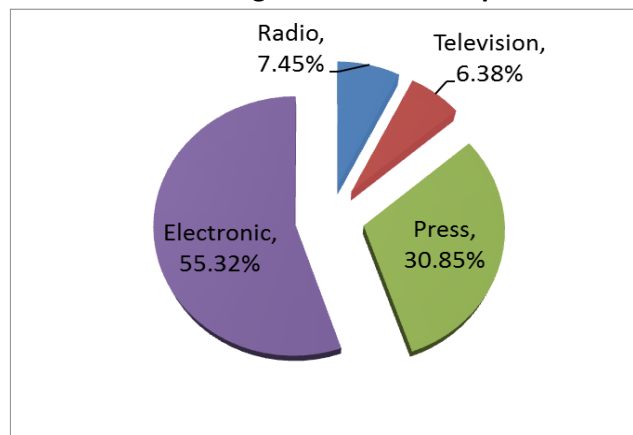
	<ul style="list-style-type: none"> • Development of Inspection guidelines for intermediation and outsourcing contracts to improve enforcement in these topics, which in the past have been highly criticized.
Intellectual Property	<ul style="list-style-type: none"> • Performance of an International workshop for preventing and fighting customs and intellectual property crimes, in Lima and Piura, training 305 judges, customs and intellectual property officials, among others. • Design alongside with INDECOPI of the Book of “Peruvian Appellations of Origin: Wonders of the Peruvian Spirit”, comprising seven of the eight appellations of origin already recognized: Pisco, White Giant Corn of Cusco, Chulucanas, Pallar (Beans) from Ica, Loche (Pumpkin) from Lambayeque, Coffee Villa Rica and Coffee Machu Picchu-Huadquiña. 1000 copies were printed and distributed. The book has received excellent reviews by public officials and the media.
Trade Facilitation	<ul style="list-style-type: none"> • Dissemination of the recently created Single Window of Foreign Trade performing trainings across 11 regions to 756 officials and entrepreneurs. • Assessment of 120 procedures of the Single Window initiative (VUCE) from DIGESA, DIGEMID and ITP, and drafting of three norms to simplify 23 procedures (13 from DIGESA and 10 from ITP), which are currently under review by recently appointed authorities.
Administrative Simplification	<ul style="list-style-type: none"> • Development of reform proposals for the operating license procedure in 20 local municipalities, all of which have already put the reform in place. Results show an average reduction from 78 to 5 hours to issue the operating license for businesses with an area of less than 100 m2, and from 175 to 34 hours for those with an area ranging from 101 m2 to 500 m2; likewise, in the case of businesses with less than 100m2; costs, steps and areas involved have been reduced in 82%, 58% and 42%, respectively, while for those ranging from 101m2 to 500 m2 the reduction was of 56%, 53% and 37%, respectively.
Medicines	<ul style="list-style-type: none"> • Forum in Puno for raising awareness of counterfeit drugs and regulations to 274 officials and entrepreneurs from all the southern regions. The Project organized, alongside DIGEMID, CONTRAFALME and the U.S. Embassy the Forum “Strategies to prevent and fight the illegal commercialization of pharmaceuticals, medical devices and sanitary products”.
Telecomm.	<ul style="list-style-type: none"> • Three-day workshop regarding economic regulation, interconnection and cost modeling for 37 officials from OSIPTEL, by telecomm specialist Martin Taschdjan. He also held a meeting with top officials to discuss the implementation of the Broadband Initiative that will deploy telecomm infrastructure throughout the country.
Colombia	
Intellectual Property	<ul style="list-style-type: none"> • Reduction of 1,743 backlogged trademarks applications and of 460 patent applications. • Training on Intellectual Property rights to 230 judges in 10 cities.

- Training for 166 artisans in 20 communities for obtaining collective brands certification, as part of an initiative to obtain industrial protection for 20 products.

Communications

It's important to note that the Project has paid special attention to promoting media coverage of activities in Peru that are supported by USAID. Throughout the first year, the Project has appeared in approximately one hundred news pieces, in all cases with positive reception.

Media Coverage. June 2010 – Sept 2011



Source: USAID | *Facilitando Comercio*

77% of all media coverage took place in Lima while 23% took place in various provinces. Approximately 37% correspond to Intellectual Property activities, in accordance with the focus on promoting a culture of respect towards Intellectual Property rights. In addition, 31% of news was related to Administrative Simplification, especially surrounding the launch of the TRAMIFACIL webpage and simplification of the operating license procedures in local municipalities. 20% of coverage focused on the Project's official launching event and 12% focused on other activities.

II. Introduction

USAID | Facilitando Comercio is a USAID economic growth project with two main objectives: i) To increase Peru's ability to apply the US – Peru Trade Promotion Agreement (PTPA) to facilitate open and prosperous trade across a wide range of sectors and address systemic constraints that inhibit trade and investment; and ii) To increase the competitiveness of the private sector in the Andean region by strengthening the capacity of Andean countries to take advantage of trade opportunities. The Project's scope is divided into 6 components, each one with its own strategic objectives:

Component	Strategic Objectives	Country of implementation in the period of report
Labor	Improve enforcement and protection of labor rights by strengthening the capacity and effectiveness of the Ministry of Labor (MOL) and the Judiciary.	Peru
Intellectual Property (IP)	Increase protection, enforcement, and use of intellectual property rights by implementing IP treaties and improving processes in IP offices and strengthening the judicial system.	Peru, Ecuador, Colombia & Bolivia
Trade Facilitation	Contribute to competitiveness, especially among SMEs, by simplifying customs procedures and strengthening Customs authority.	Peru, Ecuador & Bolivia
Administrative Simplification	Simplify business registration processes and lower transaction costs.	Peru
Medicines	Strengthen oversight of medicines and pharmaceuticals.	Peru
Telecommunications	Increase telecommunications competition through improved regulation.	Peru

Source: USAID | Facilitando Comercio

During the period June 2010 – September 2011 the Project began operations in Bolivia, Colombia, Ecuador and Peru, which represent all countries within the Project's area of coverage. In each country, activities have been implemented after extensive meetings with both USAID local offices and public / private counterparts, focusing on activities considered as mandatory under the task order and prioritized by local stakeholders. Work Plans covering all three years of the Project and its additional option year for activities in Bolivia, Colombia and Peru have been submitted and approved by USAID.

In the following sections an overview of the project's principal activities under each component and results achieved in the past 16 months is presented, as well as a summary of the financial status of the project. A list of performance monitoring indicators is also presented for Peru and Colombia.

III. Activities and Major Achievements - Peru

Component 1: Labor

In the following sections activities and major achievements are presented, taking into account each supported counterpart.

1. Ministry of Labor and Employment Promotion

Main topics supported in the following areas:

1.1 Strengthening of the Labor Inspections System

- Collection and analysis of inspections statistical information
- Development of a group of proposals for inspective guidelines in matters of outsourcing and labor intermediation.
- Development of a Practical Guide for Identification of common mistakes made in sanction resolutions.
- Systematization of Directives and Documents, and its consolidation into 11 Directives for organizing the inspective system.
- Identification of Best Practices in coercive collection of fines derived from inspections.
- Currently developing guidelines for approaching inspections to the agro-exporter sector.

1.2 Promoting Fundamental Rights of Workers

Three areas have been covered:

Occupational Safety and Health	The Project has reviewed and updated the Guide of Hazard Identification and Risk Assessment (<i>IPER Guide</i>), especially oriented to employers and employees of MYPES. Meetings were organized with representative of both groups for its dissemination and distribution. In addition, a proposal was developed for improving the Management Information System of labor accidents and occupational diseases.
Child labor	A Communications strategy was elaborated in order to fight the worst forms of child labor.

Regulatory Compendia	4 Regulatory Compendia – covering both national and international regulations – were developed on matters of Child Labor, Forced Labor, Equality of Opportunities and Occupational Safety and Health. The products were based on the systematization of sentences of the Constitutional Court in topics of Fundamental Rights.
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1.3 Integrated Management System

Progress has been made in the design of an Integrated Management System to collect information of all sources related to the Ministry of Labor's scope of work. In that regard, the Project has concluded the design of a proposal for the System and is currently preparing its gradual implementation. In parallel, the project has been gathering information to improve the collection of administrative records as well as some of the most important procedures included in the TUPA. This information will contribute to the development of specific proposals that include work with the regions. Finally, a proposal for improving the SIIT (Information System for Labor Inspections) has been presented based on a review of system processes. Its implementation is expected for upcoming months.

1.4 Best Labor Practices Certification

Support was provided for evaluating applications for the Best Labor Practices contest, assembled by the Ministry of Labor; in addition, the Project systematized lessons learned in the contest, which were considered in the implementation of a certification of good labor practices system.

1.5 Employment statistics

As requested by the Ministry of Labor, the Project reviewed the methodology of the National Monthly Labor Variation Survey and presented suggestions and improvements, which are expected to be implemented in a second stage, starting with updating the sample base of establishments to allow transferring the Survey into *Electronic Payroll*.

2. Judiciary

Activities related to the Labor Procedural Law's implementation have been prioritized as the law is already in force in 11 of the 31 Judiciary Districts. In that regard, the Project has carried out trainings for 237 judges from Courts in Tacna, Arequipa, Cusco, La Libertad, Lambayeque and Lima. As a sign of recognition towards the Project's support, the President of the Judiciary's Technical Implementation Team addressed the Project in an official letter to "*express its recognition, and of the LPL's Implementation Technical Team,*

for the support provided to perform the First Workshop to Interchange Ideas about the LPL's implementation, developed in Tacna.”¹

In addition, the Project is assisting the Judiciary in developing:

- A conceptual framework for the Labor Procedural Law's implementation
- Design and implementation of a monitoring system, including a baseline for future impact measurements.
- Design and organization of national and international events with judges: i) national workshop in Tacna to share experiences about the Law's implementation with 40 labor judges, 11 Justice Court presidents and 10 administrative officials; ii) Attendance of 3 experts from Chile, Uruguay and Bolivia to a seminar organized by the Judiciary.

In the second year the Project will implement the Law's monitoring system, as well as a tracking system for monitoring the productivity of labor judges.



Labor Procedural Law's Training for Judges held in Arequipa

3. Ministry of Justice

Work has been focused on two complementary activities: training on labor topics for 40 conciliators from MINJUS Conciliation Centers and the design of a roadmap for implementing Labor conciliation in the MINJUS. The new administration has expressed its interest in implementing labor conciliation services in its centers.

¹ Official Letter N°3008-2011-JUS/DNJ-DCMA. Lima, August 15th, 2011.

Component 2: Intellectual Property

Many activities were undertaken, mainly in support of INDECOPI and the Judiciary.

2.1 Improve Information Management System

The Project leveraged INDECOPI's initial investment on implementation of systems and contributed to improving the Electronic Platform of Patent Procedures and Services (PATENTA) of the Direction of Innovations and New Technologies (DIN). PATENTA is now in a trial phase with specific users and will be launched for use by the general public in upcoming months.

The Project has also provided support to the Distinctive Signs Directorate in the automation of its procedures. As a first step, the Project is implementing two modules: 1) A module for the generation of electronic certificates of registration and entries for the Distinctive Signs Directorate and 2) A module to allow the display, search and printing of such electronic certificates of registration and entries. The implementation is expected to end in 2012.

The activities related to the digitalization of the DSD certificates of registration and the improvement of their online system for filing applications to register distinctive signs will be developed in year two of the Project.

2.2 Improve Technical Examinations

The Project developed a Manual for the Directorate of Inventions and New Technologies (DIN) tailored to new examiners and for people interested in becoming examiners. It is expected that the manual will be printed early in 2012, with training on its contents to begin in the following months.

The Manual has been very well received by the Directors of the DIN and the Project has shared it with the IP Directorate of the Superintendence of Industry and Commerce (SIC) of Colombia for its revision and possible adaptation.

2.3 Strengthen Capacity for Intellectual Property Rights Enforcement

The Project engaged Peru's National Academy for Judges to discuss incorporating IP principles in to their permanent curriculum and established contact with the Office of International Cooperation of the Judiciary to explore its interest in providing trainings to judges on IP matters. It was decided to start with three workshops on Distinctive Signs, Inventions and New Technologies and Copyrights directed towards judges that review the resolutions of the INDECOPI's court at the Judicial level (Judges Specialized in Administrative-Contentious Matters).

A total of 53 judges were trained. The Project will now develop a bigger training course for Judges, taking into account all the recommendations and petitions received. The Project will also adapt the manual developed for the training of Judges in Colombia, for its use in Peru. Additional trainings for Criminal Judges are pending.

Additionally, the Project teamed up with the Commission on Anti-Piracy & Counterfeiting to provide an International Training to Government Officers on IP and Enforcement matters. The main speaker was Mr. Timothy Trainer, who performed two workshops in two cities, Lima (154 attendees) and Piura (151 attendees), on the following subjects: 1) The global fight against piracy and its economic impact worldwide, and 2) Implementation of government policies to promote sustainable economic development in Peru. The Commission on Anti-Piracy & Counterfeiting addressed an official letter to express *“the honor and gratitude for counting with the support and contribution to execute actions that address counterfeiting and piracy crimes, which cause damage to Peru’s economic and social development.”*²

2.4 Raise Awareness of the Importance and Benefits of Intellectual Property Rights

The Project developed the contents of the online course on trademarks for the Academy of Competition and Intellectual Property of INDECOPI and is now in the process of virtualizing it.

With respect to the project’s work with the UPOV Convention, which was adopted as part of Peruvian legislation on August, 2011, promotion activities and trainings on the new legislation are planned for year 2.

In addition, the Project developed a series of events to raise awareness about Intellectual Property Rights which are listed below:

Topic	City	Counterpart	Attendance
Appellations of Origin	Cusco	INDECOPI	119
Intellectual Property as a Development Tool	Lima / transmitted via webcast to Cusco, Huaraz, Lima and Piura	US Embassy and University of Lima	29 / 163 online audience
Management of funds for scientific/technological research	Lima	FYNCIT (National Program for Research in Science and Technology)	34 officials
How to create and manage Technology Transference Offices in universities	Lima	Red IDI (Research Network on Development and Innovation)	31
Intellectual Property knowledge	Arequipa	E-quipu (Universities network)	107 students and teachers of engineering faculties
Innovation and Development in foreign countries, especially in Brazil	Lima	University Cayetano Heredia	748
Innovation for Technological Development	Lima	Universidad Catolica	92
Intellectual Property negotiation	Lima	Red IDI (Research	42

² Official Letter N°145-2011-PRODUCE/CLCDAP-ST

for Technology Transfer		Network on Development and Innovation)	
Education for the Creation and Promotion of a Culture of Respect for Intellectual Property	Lima, Iquitos, Piura, Chiclayo and Arequipa	INDECOPI's Copyrights Directorate	392

2.5 Book on Peruvian Appellations of Origin

The Project provided its cooperation to INDECOPI to elaborate a book comprising seven of the eight appellations of origin already recognized:



Pisco



Chulucanas



White Giant Corn of Cusco



Pallar (Beans) from Ica



Loche (Pumpkin) from Lambayeque



Coffee from Villa Rica



Coffee Machu Picchu-Huadquiña

One Thousand (1,000) copies were printed and distributed, most of them within Government and to the producers of each of the seven appellations of origin covered in the book. 107 persons attended the book's presentation. INDECOPI addressed a letter to the Project, *"acknowledging the valuable support provided by USAID | Facilitando Comercio in the design and printing of the book"... and to "outline that this product has been achieved thanks to the cooperation of USAID | Facilitando Comercio, which has worked hard alongside INDECOPI to achieve this great publication"*³.

³ Official Letter N°120-2011/ACT-INDECOPI. Lima, July 19th, 2011.



Presentation of the book "Peruvian Appellations of Origin: Wonders of the Peruvian Spirit"

National Contest of Inventions

The Project provided its cooperation to INDECOPI for the launching, promotion and awards of the X National Contest of Inventions. The Project developed a web page (www.concursodeinvenciones.pe) and a Facebook page – with currently 7,635 fans - (www.facebook.com/concursodeinvenciones). 119 applications from Lima, Arequipa, Cusco, Junín, Huaraz, Piura, Puno and Trujillo were received. It is important to note that this year's edition broke the record of most pre-selected applications, which means that the quality of inventions is improving from past editions.

Component 3: Trade Facilitation

3.1 Establish baseline for Customs Operations

The *TCBaseline* assessment was performed in November 2010 to evaluate Anticipated Release procedure and for proposing recommendations for its improvement. The report focused on Customs operations, and practices from trade operators and other government agencies, so as to identify all potential disincentives regarding the use of the 48 hour anticipated release system. A sample of time release/costs case was also included. The report will support the actions to be taken towards reducing or eliminating overcharges to imports and exports. The report was translated to Spanish and handed over to public institutions.

The Project has been working on implementing the recommendations set out in the *TCBaseline* assessment as explained below.

3.2 Dissemination of Anticipated Release System Benefits

Firstly, as suggested by the TC Baseline report, the Project assisted Customs with creating a "brand" for the system, which was adopted by Customs and has become the trademark of the Anticipated Release System.

Additionally, two tools are under elaboration: (i) the construction of a specialized web page to promote the Anticipated Release system and (ii) a handbook to explain in a friendly manner the characteristics and guidelines to perform an efficient use of the system. Such tools have been largely discussed in the working group led by the National Competitiveness Council and they are expected to be launched early in 2012.

Workshops in 10 Peruvian cities are to be performed with occasion of the launching of the handbook (as explained above). Workshops are expected to be initiated next November.

3.3 Simplification of Trade Related Procedures

The project is assisting MINCETUR in the full implementation of the SW/VUCE embracing its three components: (i) controlled goods, (ii) port services, and (iii) rules of origin. The Project has thus become a key partner in the VUCE initiative. The Project supported the official launching of the SW which took place at the Marriot Hotel on February 17th. Since then 9 consultants from different backgrounds have been hired to assess VUCE procedures and entities with a holistic approach. The team has examined and proposed improvements to nearly 150 procedures from 10 public institutions.

a. Controlled products module

In the case of controlled goods (i.e. medicines, food and drinks, etc.) the assessment embraced the National Health and Environment Bureau (DIGESA) and the National Bureau of Medicines and Drugs (DIGEMID), the Fishing Technologic Institute (ITP) and the Ministry of Transports and Communications. The Project has already participated in the drafting of three norms to modify 23 procedures (13 from DIGESA and 10 from ITP). So far, 120 procedures have been assessed.

b. Port Services module

The legal consultant has identified and mapped nearly 50 procedures related to port services, whereby 15 have already been assessed. The assessment has embraced institutions such as: the National Port Authority, the Tax Authority, Sanitary Authority, Maritime Authority and the Ministry of Transports.

c. VUCE Origin module

This is the last component which is aimed at enabling exporters to obtain electronically the Certificates of Origin. This module embraces approximately three procedures types: (i) Qualification and Certificates of Origin; (ii) Authorized exporter and (iii) Rules of Origin advance rulings.

A two-day workshop program regarding the controlled products module was successfully carried out in January-February, in ten cities, targeted to public officials and the private sector. 756 people were trained.

MINCETUR has acknowledged the support provided by USAID | Facilitando Comercio; in that regard, a letter sent by the former Minister of Commerce stated... *“[The Ministry] would like to convey its appreciation for the commitment shown by your institution in the process of implementation and operation of VUCE (...) especially to those members who participate as representatives before the Special Commission for VUCE Implementation.”*⁴



Recognition given to USAID | Facilitando Comercio for its support in the implementation of VUCE

3.4 Facilitate Creation of a Surety System

Consultant Claudia Cooper and US Customs legal expert Bryce Blegen completed a study to analyze the current customs bond model. The study showed that solutions must be dealt with in different fields. There are problems on the side of demand and suppliers. The key point is to encourage issuers of customs bonds by reducing risks of beneficiaries, thus a closer coordination should be encouraged between financial institutions and tax authorities for the implementation of public credit registries. By reducing risk exposure of bond's holders, CB price is expected to be reduced. Such objective is attainable if tax authority shares and exchanges information with financial institutions regarding potentially risky clients. Secondly, a more active participation of Government is necessary by placing collaterals to back issuers and finally, various constraints (not related to customs bond issue) of the anticipated clearance should be eliminated to encourage use by importers.

⁴ Official Letter N°048-2011-MINCETUR/DM. Lima, March 4th 2011.

3.5 Support creation of Authorized Economic Operators (AEO)

The Project has been advising Customs and MINCETUR in the design of the most suitable model of AEO. Two major events were supported, the first one in September, 2010, in which the updated version of the AEO handbook produced by the USAID | TCBoost project was presented. 57 participants were registered from the public and private sectors. The second workshop was held in April, 2011, where Customs launched its pilot program and discussed with companies the details of the AEO's further implementation. 34 participants attended. Additional support would be provided taking into account the results of the pilot program.

3.6 Rules of Origin (RoO) handbook and workshops.

The handbook, which is expected to be launched early in 2012, is aimed at enhancing the trade capacity of companies (especially exporters) through the (i) Systematization and dissemination of knowledge as to the RoO requirements in the agricultural and textile and garment sectors as established by the PTPA, and (ii) Proposal and design of a systematic method for RoO compliance within the framework of the PTPA.

This activity involved a training program in 6 cities (including Lima) joining efforts with MINCETUR, PROMPERU and private associations such as the Lima Chamber of Commerce, National Industries Association and the Association of Exporters. Approximately 150 attendees gathered for the program.

3.7 PTPA implementation status

In July, the Project performed a study on the PTPA's implementation status. This study was elaborated by Dr. Luis Alonso García, former Vice Minister of Foreign Trade and principal negotiator of the PTPA, who produced a document addressing the following: (i) Peru-US trade flow data (ii) Implementation tasks check list and (iii) pending implementation tasks.

The document was well received by MINCETUR's official Jaime Dupuy who highlighted its accuracy and concurred to consider it as a baseline assessment for periodic monitoring.

3.8 Antidumping course

Along with INDECOPI, the US Embassy and AMCHAM, in June 2011, the Project organized an in-house training workshop to INDECOPI officials of the trade remedies commission. The one-week training focused on antidumping trends and measures, emphasizing the US government experience. The speakers included Mr. Dean Pinkert, member of the International Trade Commission, and Mr. Yohai Baisburd from the US based law firm White & Case, whose international trade practice is one of the most renowned in the world. After its conclusion, attendants filled a survey about the course, showing a very high degree of satisfaction both with the course (8.5 / 10) and with the speakers (8.2/10 for Mr. Pinkert and 8.6/10 for Mr. Baisburd).

Component 4: Administrative Simplification

4.1 Exploratory Study on Municipal Regulation for businesses

This activity has been carried out in association with the USAID | Peru Pro Decentralization project, in order to promote simplification of the operating license procedures among municipalities in Peru. An analysis of the municipal operating license procedure and the role of municipalities in regulating businesses was elaborated. Main achievements include:

- Formulation of a Consultative Committee formed by 14 institutions from the public and private sectors for validating every step of the study and for involving all key actors in the assessment of the operating license procedure.
- Report to be disseminated among municipalities with major results of the two complementary studies:
 - Exploratory Study: a diagnostic of the operating license procedure rationale developed for public officials that addresses key issues and proposes a series of hypotheses about the procedure's performance.
 - Rapid Field Study: Study that performs the empirical validation of hypothesis set out in the Exploratory Study. Collection of information covering 47 nation-wide municipalities.

4.2 Redesign and update of the TRAMIFACIL webpage

USAID | Facilitando Comercio joined INTERMESA - the National Platform for Simplification of Municipal Regulations for Enterprises, in order to coordinate with institutions and avoid duplicity of efforts with other programs or donors. TRAMIFACIL is a product of INTERMESA, intended to disseminate information about simplification of municipal regulations. Nevertheless, the TRAMIFACIL webpage had not been updated since 2008 and lacked a user friendly design. Therefore, the Project supported its redesign and update, re-launching the TRAMIFACIL webpage in May 2011. Main results are:

- TRAMIFACIL is now a more user-friendly page and gathers more useful and updated information about administrative simplification for public officials. Simplification products incorporated into the TRAMIFACIL webpage are:
 - 4 administrative simplification policy documents.
 - 5 Tool Kit documents.
 - 6 regulations regarding simplification and operating license procedures.
 - 8 documents about ranking and reports about supervision of municipalities.
- Launched on May 16th 2011, to date:
 - The average number of visits per day has increased from 6.5 to 100

- 8,052 downloaded documents, led by the Comptroller's office Resolution N°02-2011 and the Costs Methodological Guide.
- The web will be updated monthly in coordination with the Public Management Secretariat.



Prime Minister, Dr. Rosario Fernandez, in the TRAMIFACIL presentation

4.3 Technical Assistance to Local Governments

Despite the passing of the Operating License Framework Law (Law N° 28976) 4 years ago, a large number of municipalities have not yet implemented it. In order to address this situation the Program for Municipal Modernization (PMM) 2010 included as part of the conditions for municipalities to receive economic incentives to implement the new Law. In this scenario, the Project has committed to providing support to 80 municipalities in order to adjust their management tools in accordance with the Law, thereby supporting them in complying with targets set by the PMM. In the first year the Project has achieved the following:

- 20 municipalities received direct technical assistance to simplify operating license procedures and all of them have approved the reform and implemented the simplified operating license procedure.
- 1,261 municipal officials have been trained in administrative simplification methodologies and cost determination for administrative procedures, both methodologies designed by the Public Management Secretariat.
- Comparative results between diagnostic and proposed reform are presented in the following two charts. It is important to note that the operating license procedure is different according to the size of the business.

EX POST (Business until 100 m ² , the inspection is performed after issuing the operating license)
Reduction from an average of 78 to 5 hours to issue the operating license
Reduction from 7 to 4 areas involved in the operating license procedure
Reduction from 48 to 20 steps to issue the operating license
Reduction of costs from S/. 369.00 to an average of S/ .65.00

EX ANTE (Businesses from 101 to 500 m ² , the inspection is performed as part of the operating license procedure)
Reduction from an average of 175 to 34 hours to issue the operating license
Reduction from 8 to 5 areas involved in the operating license procedure
Reduction from 68 to 32 steps to issue the operating license
Reduction of costs from S/. 453.00 to an average of S/ .198.00



The Municipality of Yanahuara has reduced its operating license procedure for businesses with less than 100m² from 157 to 1 hour, from 24 to 7 steps and from S/ .230 to S/ . 26.

4.4 Feasibility Study for outsourcing the certification of safety conditions in civil defense, as part of the procedure for issuing the operating license.

As found in the Exploratory Study performed by USAID | Facilitando Comercio as well as monitoring processes carried out by the Public Management Secretariat, there is evidence that safety technical inspections in civil defense remain as a bottleneck in the operating license procedure. In that regard, USAID | Facilitando Comercio performed a feasibility study to outsource certification of safety conditions in civil defense, as a proposal to overcome the mentioned bottleneck. Main achievements of the activity are:

- Report including a diagnostic, conclusions and recommendations about the topic as well as its dissemination among public and private institutions and donors. The Interamerican Development Bank is using the report as an input in a consultancy about the Risk Matrix of the license procedure and in establishing targets for sector adjustment loans.
- The National Institute of Civil Defense has used some recommendations for developing a proposal sent to the Presidency of the Ministers Council on how to improve Technical Inspections.

4.5 Law Project of Identity and Digital Inclusion

Activity performed in coordination with MINJUS, Public Management Secretariat, ONGEI, INDECOPI, RENIEC, and the National Competitiveness Council. The bill is intended to acknowledge the right of all Peruvians to obtain a digital identity for using public services, performing administrative procedures and legal protection via electronic means. The most notable achievement:

- Bill approved by the Minister's Council on July 20th. Sent to the Congress and to the Justice and Decentralization Commissions. The following [link](#) contains an article with the passing date and an announcement on the topic by the Prime Minister.

It's important to mention that changes in office have delayed its passing. Nevertheless the NCC has presented the bill to the Ministry of Economy as part of a package of norms that will soon be presented to Congress.

Component 5: Medicines

5.1 Strengthen DIGEMID's Capacity to Evaluate New Drug Applications

The Project started coordination with the FDA for starting a series of trainings in Peru. However, due to budget reasons at the FDA, trainings were suspended and the Project has been searching for new options for having DIGEMID's examiners trained.

The Project provided cooperation to cover the travel expenses of two DIGEMID officers to attend the 12th Forum for International Drug Regulatory Authorities organized by the Center for Drug Evaluation and Research of the US Food and Drug Administration (CDER Forum) in April 2011, in Maryland. A replica of the training was presented by the two DIGEMID officers who attended the CDER in their premises. (57 attendees)

5.2 Improve DIGEMID's MIS and Improve Coordination with INDECOPI

The Project provided cooperation to DIGEMID to organize the digitized information on sanitary registrations dossiers into the SIDIGEMID information system. This improvement will allow examiners to make better use of search capabilities, thus reducing their examination times. A total of 37,492 archives were organized.

5.3 Raise Awareness of Counterfeit Drugs and Regulations of Pharmaceuticals

The Project organized, along with DIGEMID, CONTRAFALME and the US Embassy, a Forum on Counterfeit Medicines in the city of Puno in March 2011. The forum discussed the advances and challenges of combating the distribution and consumption of counterfeit medications in Peru and the Andean region. Attendants included officers from the DIRESAs (Health Regional Directorates) of Cajamarca, Apurimac, Huánuco, Arequipa, Moquegua, Ica, Tacna, Cusco, Lambayeque, Madre de Dios and Lima, DISAs (Health Directorates) of Apurimac, East and Southern Lima, Customs of Puno, the National Association of Small Pharmacies (in Spanish “boticas”), the Chemists Bar Association, the Pan-American Health Organization, the National Association of Pharmaceutical Industries, students, public ministry, journalists, doctors, nurses, nutritionists, etc. (274 attendees)

In addition, the Project covered the travel expenses of two officers of DIGEMID to attend the Course on the EAMI website: “Counterfeit Drugs and Fraud” in Cartagena de Indias, Colombia in May 2011. Both officers spoke on the current Peruvian situation in the fight against counterfeit and illegal drugs. The Project will use the experience gained by the two officers that attended the training in order to organize a new Forum in the city of Iquitos, in which the two officers will train others. In this way, Project support not only translated into two better trained officers, but also in the training of trainers in these matters.

Component 6: Telecommunications

6.1 Analysis of International Best Practices on Telecommunications Regulations

The Project completed a baseline study of the telecom situation in light of the obligations set out in the PTPA. Based on the findings the Project sent to OSIPTEL, the project developed terms of reference to perform a study on network unbundling, which was approved and later initiated. Results are to be presented in the first quarter of 2012.

6.2 Development of Human Capital in the Economics of Telecommunications regulation

In January, Professor Martin Taschdjian conducted a three-day training for OSIPTEL officials on the economics of telecommunication regulations. 35 officials attended the sessions and Professor Taschdjian received requests to hold a meeting with top officials to discuss specific topics related to implementing the Broadband Initiative. Additionally, a workshop was arranged for private operators, to discuss specific topics related to telecom trends and administrative barriers in the deployment of infrastructure.

6.3 Analyze and propose changes on regional regulations

The Project finalized the study on administrative barriers in the telecommunication sector. The study gathered information regarding the Municipalities’ procedures towards the telecom permits to expand infrastructure. This study cast important findings as to the municipalities’ regulation practices in telecommunications infrastructure permits. The Project will organize a conference to discuss findings and establish a work plan to address the problems identified.

IV. Activities and Major Achievements – Andean Region

Under the regional component, activities are well under way in Colombia and Bolivia. One of the activities identified for Ecuador has already begun, and the second is soon to start, once the terms of reference is finalized. The technical scope of the Project aligns closely with priorities in Peru and Colombia, where the governments are in favor of trade integration, and thus more receptive to the Project's support in helping public entities design and implement reforms related to trade. In Bolivia and Ecuador, where there is less government support for such activities, the project works more closely with business groups and NGOs which can implement activities to promote the use of certifications and intellectual property registers by SMEs, in order to enhance their ability to access international markets.

Bolivia

Activities in Bolivia were initiated after USAID | Bolivia informed USAID | Peru that Project activities could start in early 2011. A mission was organized to explore which activities to undertake, and between April 4th and 8th 2011, the Project Director and the COP had meetings with several potential beneficiary institutions. Based on these interviews the project began 6 new activities, all involving private sector institutions. Activities in Bolivia began in April 2011 and are currently in progress. Activities and expected results are as follows:

Intellectual Property

Promotion of intellectual property as a competitiveness tool. The objective is to train 40 enterprises and obtain certification for 20 of them.

Trade Facilitation

- Certification of processes and products. 20 enterprises obtain at least one certification.
- Promote best bio-commerce practices. The objective is that 12 enterprises become part of the Ethical Biotrade practice.
- Standardization of Industrial Activity. Support the Bolivian Institute of Standardization (IBNORCA) for issuing and disseminating 4 regulations in key productive sectors.
- Institutional Strengthening for technical assistance in trade facilitation. The Project will contribute to the implementation of the trade technical assistance unit of CADEXCO (Chamber of Exporters of Cochabamba)
- Dissemination of best trade facilitation practices. Support CADEX (Chamber of Exporters of Santa Cruz) in carrying out the Trade Facilitation Forum carried out in November 2011.

Colombia

USAID | Facilitando Comercio is actively working in Colombia on 12 activities focused on contributing to Colombia's competitiveness and business environment, so that more people can reap the benefits of open trade.

IPR Administration

In accordance with the Work Plan, the Project closely monitors activities performed by the Superintendence of Industry and Commerce (SIC) in relation with the implementation of this treaty. The draft law for incorporating TLT into Colombian legislation has been presented to the Colombian Congress and is pending final approval. At present the Project is working with the SIC to identify the areas where an intervention is needed to implement the TLT, once the Law is approved. Passage of the TPA should expedite that process.

USAID | Facilitando Comercio is also working with the Superintendency of industry and Commerce –SIC- to reduce its backlog of trademarks and patents. During the present year USAID | Facilitando Comercio contributed to the reduction of the backlog of 1783 trademarks cases, well above our stated goal of 640 cases. On patents and New Creations USAID | Facilitando Comercio helped with the reduction of 351 cases of patents and new creations. In this area we fell short of our stated goal of 460 cases for the year due to the unexpected length of time that it took to train the patent examiners.

Enforcement

With the Convenio Antipirateria and the School of Judges Rodrigo Lara Bonilla the Project is working to train judges on Intellectual Property rights. During the present year USAID Facilitando Comercio held 10 training seminars in different cities, and trained 230 judges (121 women, 109 men). In addition, the Project has developed a handbook for judges in copyrights, ready for printing upon approval by Rodrigo Lara Bonilla School.

Regarding the Internet Service Providers Law, given that this Law is highly political and that the communications strategy is a lobbying effort-- an activity prohibited by USAID contract rules-- the Project will await the outcome of the law with the view to supporting outreach initiatives. Again, since the TPA has been ratified there will be more pressure to implement the law in order to fulfill a TPA objective.

Outreach

USAID Facilitando Comercio is helping 20 communities of artisans to obtain appellation of origin and Collective Brands certifications. During this process we trained 166 artisans (64 men, 102 women) on topics ranging from industrial property to the management and economic use of labels and brands. In cooperation with the organization Artesanias de Colombia, twenty (20) artisan communities were identified to receive assistance in obtaining the collective brand or appellation of origin. This will provide them with legal rights to protect their cultural legacy and a marketing tool to promote their products to buyers.

The activity is being carried out by lawyers contracted by the Project alongside Artesanías de Colombia. The legal study of 20 applications was carried out and 14 communities were trained by the legal team on the responsibilities of collective brands and appellations of origin. The following communities were visited and its cadres trained on the use of collective brands.

N°	ZONE	PRODUCT	POSSIBLE PROTECTION
1	Tolima: Ataco	Jewelry	Collective Brand
2	Magdalena: Santa Martha	Soap Stone carving	Collective Brand
3	Huila: San Agustin	Stone carving – replicas	Collective Brand
4	Huila: Suasa	Iraca hats	Appellation of Origin
5	Meta: Puerto Gaitán	Wood carving Sikuni	Collective Brand
6	Valle: Anserma Nuevo	Embroidery	Collective Brand
7	Cauca: Popayán	Wood carving	Collective Brand
8	Cesar: Pelaya, Pailitos, Tamalameque	Palm cestery	Collective Brand
9	Antioquía: Chigorodó	Plantain	Collective Brand
10	Antioquía: Santafé	Jewelry	Collective Brand
11	Antioquía: Urabá	Cestery	Collective Brand
12	Antioquía: Jericó	Leather	Collective Brand
13	Chocó: Quibdó	Hats	Collective Brand
14	Puerto Inirida	Wood carving	Collective Brand

New activities

As the Trade Promotion Agreement between the United State and Colombia has now been signed, USAID / Colombia is interested in increasing Project activities that will support the efforts of Colombian government agencies to implement reforms that are part of the Trade Agreement. The Project has expressed its willingness to make adjustments as requested by USAID to provide further support in Colombia. During the final quarter of 2011, the Project began developing an expanded work plan and contracting additional consultants with the expectation of establishing a field office in Bogota to support a larger program.

Ecuador

Providing trade capacity building support in Ecuador has proven extremely difficult, even after three exploratory visits (July 2010, September 2010 and February 2011), the hire of a local Country Coordinator and efforts to complement initiatives with USAID's bilateral project, Red Productiva.

After the visit in February 2011, four activities were identified and agreed upon with beneficiary institutions and USAID | Ecuador:

- Support GOE in defining its institutional design for trade negotiations
- Promotion of Secure Commerce in SMEs
- Promotion of the appellation of origin Cacao Arriba
- Assess GOE Customs outsourcing system for physical inspections

Although coordination regarding the first activity were well underway with the Vice Minister of Foreign Commerce, USAID | Ecuador advised the Project to put its support on hold. Likewise, despite an exploratory report on the current regulation of Customs was developed, further progress on the Customs assessment did not evolve, as the Customs President did not return the mails and phone calls of the Project Director and the COP.

The other two activities are already underway:

Promotion of Secure Commerce

USAID | Facilitando Comercio has defined, along with the Business Alliance for Secure Commerce (BASC) Ecuador, an activity for training and certifying SMEs, especially those under the support of USAID | Ecuador within Red Productiva and PRODEL (Programa para el Desarrollo Económico Local) initiatives.

A Memorandum of Understanding was signed with BASC to promote certification of security standards for 40 SMEs. Currently, efforts are focused on disseminating information of the initiative and attracting potential SMEs.

Promotion of the appellation of origin Cacao Arriba

An activity has been designed with IG-DE to support the implementation of the appellation of origin *Cacao Arriba*. The implementation will cover:

- Trainings and sensitization to producers,
- Development of a certification trademark to ensure the quality of Cacao Arriba and the selection, its regulations and selection of a certifying authority.
- Promotion of the use of the certification trademark.

As a first step, key executives from IG-DE were invited to a conference on appellations of origin in Cusco, sponsored by USAID | Facilitando Comercio, to learn about the Peruvian initiatives on Appellation of Origin management.

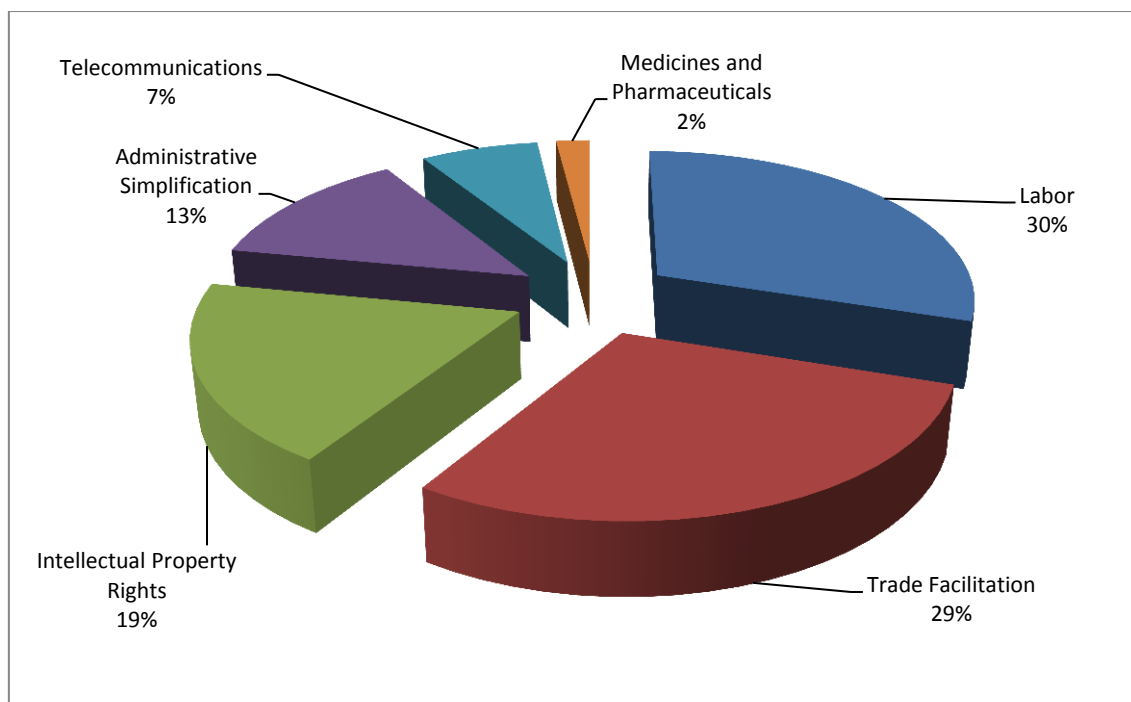
The Project has also developed jointly with AMCHAM a seminar on Foreign Trade adapted to the US market, with the attendance of 37 participants.

Although working with the Ecuadorian Government has become even more difficult after the US Ambassador in Ecuador was expelled by the Correa Administration, the Project will continue trying to identify activities to undertake in benefit of the GOE. The support of USAID | Ecuador in this undertaking will be important.

V. Allocation of Financial Resources

Since the beginning of the Project in June 2010 up to the conclusion of its first reporting period in September 2011, the Project has spent US\$ 4,265,199.80. This amount represents 30% of the base period budget, set in US\$ 14,039,234.00 and 25% if including the optional year's budget (US\$ 2,957,268.00).

The distribution of resources covers all six Components, as shown in the following graphic:



Distribution of expenditure among Components (%)

78% of the total has been spent in 3 components, labor rights, intellectual property rights, and trade facilitation, as planned at the beginning of the project.

The following table summarizes the expenditure in the first year of operations.

Component	Expenditure (US\$) first year (A)	Base Period Budget (US\$) (B)	Expenditure (% of base period budget) (A/B*100)
1. Labor	1,227,597.61	5,490,262.00	23.3
2. Intellectual Property Rights	801,102.26	2,168,925.00	36.9

3. <i>Trade Facilitation</i>	1,257,095.71	3,640,389.00	34.5
4. <i>Administrative Simplification</i>	545,042.09	2,173,606.00	25.1
5. <i>Medicines and Pharmaceuticals</i>	93,647.29	149,878.00	62.5
6. <i>Telecommunications</i>	290,714.84	416,173.00	69.9
TOTAL	4,265,199.80	14,039,234.00	30.4

Source: USAID / Facilitando Comercio

VI. Performance Management Indicators

To date, USAID | Facilitando Comercio has developed Performance Management Plans for Peru and Colombia as activities were first initiated in these countries. The PMP for Bolivia is currently under review by USAID | Bolivia and once approved the Project will start reporting results. For Ecuador the Project will wait until a sufficient number of activities are initiated to design the PMP.

Peru Indicators

Table 1. Peru's PMP Targets and Results

Final Objective and Intermediate Results	Results Indicators	Source	Baseline	Target 2011	Result 2011	Comments
Impacts: Contribute to Peru's competitiveness and adequate business environment, so that more people can reap the benefits of open trade.	Business environment in Peru (Doing Business)	World Bank, Doing Business Report, Doing Business Ranking (Peru / # countries)	56 / 183 (2010)	53	36 (2011)	Important improvements have been achieved in Peru's business environment. Reforms in "Trading Across Borders" and "Starting a Business" have led improvements in 2011, improving 38 and 58 positions from 2010 results.
	Competitiveness in Peru (World Economic Forum Index)	World Economic Forum, The Global Competitiveness Report, Competitiveness Index Ranking (Peru/# countries)	78 / 133 (2009-2010)	73	73 (2010-2011)	Peru has improved 5 positions from past year's index based on reforms oriented to increase labor market efficiency (up 21 places to 56 th)
IR1: Improved enforcement and protection of labor rights because of	Duration of labor disputes	Statistics Unit of the Judiciary	4.5 years (2010)	3 years	TBD	Baseline data will be gathered for each Superior Justice Court involved in the Project's scope. Currently the Project has not yet collected information of Superior

strengthened capacity and effectiveness of the Ministry of Labor (MOL) and the Judiciary						Courts.
	Number of inspection orders issued	Statistics Unit of the Ministry of Labor	49,485 (2008)	52,000	104,205 (2010)	Lack of information prevented from using 2009 results as baseline for the number of inspection orders issued. Nevertheless, 2010 results show an increase of 110% compared to 2008 and of 54% to 2009 in the number of inspection orders issued.
	Number of labor disputes resolved by the Judiciary	Superior Justice Courts involved in the Program's scope.	TBD			Baseline data will be gathered for each Superior Justice Court involved in the Project's scope. Currently the Project has not yet collected information of Superior Courts.
IR2: Increased protection, enforcement, and use of intellectual property rights because of the implementation of IP treaties, improved processes in IP offices and strengthened Judicial System.	Number of Intellectual Property applications granted	INDECOPI data base	20,261 (2009)	23,000	25,498 (2010)	Granted Intellectual Property applications have grown 25.8% in 2010
	Decrease in time for registration procedures	INDECOPI. Distinctive Signs Unit	120 days	-		The Program will implement software on 2011, trials will be conducted on 2012 and the reform will be fully operative on 2013.
		INDECOPI. Inventions and New Technologies Unit.	1170 days	-		
IR3: Simplified trade-related procedures, especially for SMEs, and Aduanas strengthened.	Number of days required to import (average)	Mincetur Statistics Unit.	6 days	-	6 days	Average days required to import and export remain similar as reforms set in late 2009 are expected to have a progressive impact throughout the Project's lifetime.
	Number of days required to export (average)	Mincetur Statistics Unit.	6 days	-	6 days	
	Number of SMEs that export	PROMPERU Statistics Unit.	TBD			Statistics about exporting SMEs are not periodically calculated and therefore will

						be removed as indicator.
	Number of simplified procedures	Monitoring and Progress Reports	243 procedures	12	0	Due to changes in office, 3 Regulation Projects for performing modifications have not yet been approved. Nevertheless, once approved they will simplify 23 procedures, 13 of the General Direction of Health and Environment and 10 of the Fishing Technological Institute.
IR4: Simplified business registration and reduced transaction costs	Cost to register a business in a local municipality	Municipal filings of requests (Ex Post Inspection)	369 soles	65 soles		Baseline data refers to the average hours and resources spent by the first group of 20 supported municipalities to issue operating licenses. Results will be gathered six months after the reform's implementation, by performing a survey to measure effective results.
		Municipal filings of requests (Ex Ante Inspection)	543 soles	198 soles		
	Time to register a business in a local municipality	Municipal filings of requests (Ex Post Inspection)	78 hours	5 hours		
		Municipal filings of requests (Ex Ante Inspection)	175 hours	35 hours		
IR5: Strengthened oversight of medicines and pharmaceuticals in Peru.	Interconnection between DIGEMID and INDECOPI	DIGEMID and INDECOPI information systems.	0	-		Interconnection is currently under suspension as Peruvian Government is reluctant to undertake this initiative.
IR6: Increased telecommunications competition in Peru because of improved regulation.	Number of people trained in technical fundamentals to improve telecom regulation	Monitoring and Progress Reports	0	15	35	Workshop on Economic Regulation, Interconnection, Price and Cost Modeling for 35 officials.

Table 2. USAID Indicators. Targets and Results

Code	Common Indicator	First Year				Comments
		Target	Results First Year			
			Men	Women	Total	
4.2.2-5	Number of participants in USG supported trade and investment capacity building trainings.	585	2,713	2,345	5,058	<p>There have been a total of 5,058 participants in the 139 events developed by USAID Facilitando Comercio throughout the first year of the Project. Approximately 46% of the participants were female.</p> <p>The difference between targeted and actual number of participants in FY 2011 is mainly explained due to the following factors:</p> <ul style="list-style-type: none">Intellectual Property Component increased the number of participants in trainings due to the petition by INDECOPI to train school teachers and students throughout the country on Intellectual Property matters. A total of 441 were trained in 5 cities. Likewise, the Project received the petition to provide support to dissemination events from different universities and the Research Network on Development and Innovation (<i>Red I+D+i</i>); a total of 1081 persons attended the events.Single Window of Foreign Trade (VUCE) events were originally intended to disseminate its benefits among private sector operators in certain cities; nevertheless, as requested by MINCETUR public officials were also invited and the number of cities was expanded to 11. A total of 928 persons attended the events.Training for municipal officials was originally intended for a few officials involved specifically in the operating license procedure. But,

						<p>as requested by municipalities, the training was broadened to cover more (in some cases almost all) officials from the municipality. As a result the Project had 1,261 participants.</p> <ul style="list-style-type: none"> • The Medicines component received a request for support to develop the Forum against counterfeited drugs held in Puno. A total of 274 participants attended.
4.2.1-5	Number of legal, regulatory, or institutional actions taken to improve implementation or compliance with international trade and investment agreements that is due to the support received from USG- assisted organizations.	10	10			<p>The Labor Component has developed the following products in order to improve implementation of the Trade Promotion Agreement:</p> <ul style="list-style-type: none"> • Systematization of Sentences of the Constitutional Court when related to fundamental rights. 1 Document. • Review of Regulatory Compendiums: Child Labor, Forced Labor, Equality of Opportunities and Nondiscrimination. 3 Compendiums. • Inspective guidelines for intermediation and outsourcing contracts. 1 Guideline. • Systematization of Sanction Resolutions and review of coercive collection. 1 Document. • Systematization of Inspection Directives. 1 Document. • Review of ABE (<i>Asesoría en Búsqueda de Empleo</i>- Job Search Assistance) Manual oriented to persons with disabilities. 1 Manual. • Compendium of regulations to fight against child labor. 1 Compendium. <p>The Administrative Simplification component has developed one (1) bill, as requested by RENIEC, to permit electronic access of citizens to public services.</p>
4.2.1-9	Number of U.S. supported training events held that related to improving the trade and investment environment.	36	139			<p>Up to September 30th there have been 11 workshops in the Labor Component, 3 regarding trainings for labor conciliators and 8 on the new Labor Procedural Law performed in Tacna (3), Lima (2), Chiclayo, Cusco</p>

				<p>and Arequipa.</p> <p>The Intellectual Property Component developed 7 workshops for strengthening capacities for IP enforcement, 6 for raising awareness of the mentioned topic and 8 workshops to promote a culture of respect towards IP rights, developed in schools of Chiclayo, Arequipa (2), Iquitos, Piura and Lima(3).</p> <p>Likewise, the Trade Facilitation Component performed 23 workshops: 1 regarding the Authorized Economic Operator proposal, 1 for Anticipated Clearance, 2 Customs trainings, 12 regarding the dissemination of the Single Window of Foreign Trade (VUCE - <i>Ventanilla Única de Comercio Exterior</i>) in Tacna, Piura, Moquegua, Arequipa, Ica, Cusco, Puno, La Libertad, Lambayeque, Ancash and Lima; and 7 workshops related to Rules of Origin.</p> <p>The Administrative Simplification Component has carried out 80 trainings in 20 municipalities from Arequipa, Piura, La Libertad and Cajamarca. As requested by municipalities, trainings were broadened to cover more municipal officials so the training events had to be expanded.</p> <p>In Medicines, the Project carried out 3 workshops for raising awareness of counterfeit drugs and regulations.</p> <p>In Telecommunications, 1 workshop was held in January 2011 regarding economic regulation, interconnection and cost modeling for the sector.</p>
4.2.1-10	Reduction in the cost of trade of goods across borders as a result of U.S. assistance.	26 US\$	15 US\$	The reduction is measured yearly as information is published by the Doing Business Report. Baseline extracted from the 2010 edition shows an average cost of 885 US\$ (875 US\$ for exporting and 895 US\$ for

				importing a container of goods). The 2011 Doing Business edition shows that the average cost has reduced in 15 US\$, to 870 US\$ (860 US\$ for export and 880 US\$ to import).
4.2.1-11	Reduction in the number of days required to trade across borders as a result of U.S. assistance.	0	-	The reduction will be measured yearly as the information is presented by MINCETUR. The target for this indicator is intended to be met in 2012.
4.2.1-13	Reduction in the number of procedures required to trade goods across borders as a result of U.S. assistance.	0	-	The reduction will be measured yearly as the information is presented by MINCETUR. Procedures will be reduced from 2012 onwards.
4.2.1-2	Number of customs harmonization procedures implemented in accordance with internationally accepted standards as a result of U.S. assistance.	0	-	As Customs has already internationally harmonized all its procedures, only one harmonization procedure is planned and will be done later in 2011.
4.7.4-2	Number of legal obstacles to women's economic activities (due to legal discrimination) eliminated as a result of USG assistance.	0	-	Activities related to obstacles for women are scheduled to take place in 2012. The Labor Component will address discrimination issues by developing a guideline related to fighting gender discrimination.
4.6.1-5	Number of institutions/organizations undertaking capacity/competency strengthening as a result of USG assistance.	13	15	<p>The Labor Component has improved capacities in the Ministry of Labor, the Academy of Judges, the Ministry of Justice and the Judiciary.</p> <p>Intellectual Property Component has worked in the same way with INDECOPI.</p> <p>The Trade Facilitation Component is performing capacity strengthening for institutions involved with the Single Window for Foreign Trade (VUCE). In addition to the support to MINCETUR, 2 VUCE institutions have already been assisted: DIGESA (General Direction of Health and Environment) and DIGEMID (General Direction of Drugs, Supplies and Medicines). Likewise, trainings regarding VUCE have been focused on</p>

				<p>Customs, National Service of Agricultural Health, Fishing Technological Institute, National Ports Authority, the Ministry of Transport and Communications and Tax Authority (SUNAT).</p> <p>Administrative Simplification Component trained officials from INDECI (National Institute of Civil Defense).</p>
4.6.1-5	Number of municipalities receiving U.S. assistance with regulatory/administrative simplification.	20	20	<p>Technical assistance provided to local municipalities effectively started on January 2011. By September 30th all 20 initial municipalities have received complete assistance: Sullana, Catacaos, Tambogrande, Chulucanas, Piura, Castilla, Talara (from the department of Piura) Víctor Larco, Florencia de Mora, Chao (from La Libertad) Jaén, Baños del Inca (from Cajamarca) and Yanahuara, Miraflores, Mariano Melgar, Jacobo Hunter, Cayma, Jose Luis Bustamante, Socabaya, Alto Selva Alegre (from Arequipa).</p>

Colombia Indicators

Table 4. USAID | Facilitando Comercio indicators

Final Objective and Intermediate Results	Results Indicators	Source	Baseline	Target 2011	Result 2011	Comments
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Impacts: Contribute to Colombia's competitiveness and improved business environment, so that more people can reap the benefits of open trade.	Competitiveness in Colombia (World Economic Forum Index)	World Economic Forum, The Global Competitiveness Report, Competitiveness Index Ranking (Colombia/ No. of countries)	69 / 133 (2009-2010)	Annual Increase	68 / 139 (2010-2011)	Colombia has improved one position in the 2010-2011 competitiveness report. Its macroeconomic environment indicators have led the improvement.
IR2: Increased protection, enforcement, and use of intellectual property rights because of the implementation of IP treaties, improved processes in IP offices and strengthened Judicial System.	Number of Industrial Property applications requested	SIC. Patents (Year)	1,320 (2010)	1,386	1,775*	*Preliminary result of 1,331 as to September 30 th 2011 is used as a base for estimating a total of approximately 1,775 invention and utility model patent applications requested by the end of the year, resulting in an expected increase of 34.4%.
		SIC. Trademarks (Year)	21,563 (2010)	24,797	27,644*	*Preliminary result of 20,733 as to September 30 th 2011 is used as a base for estimating a total of approximately 27,644 trademark applications requested by the end of the year, resulting in an expected increase of 28.2%.
	Reduction of Backlog trademarks and Patents applications	SIC. Distinctive Signs Unit	1,900	640	1,783	The Project has considerably reduced the total amount of backlogged applications in the SIC.
		SIC. Inventions and New Technologies Unit.	1,400	460	351	The Project fell short of its stated goal as training of patent examiners took longer than expected.

Table 3. Common Indicators for USAID | Facilitando Comercio

Code	Indicators	First Year				Comments
		Target	Results			
			Total	Men	Women	

4.2.2-5	Number of participants in USG supported trade and investment capacity building trainings.	10	396	173	223	The Project carried out 10 seminars for training judges on Intellectual Property rights. A total of 230 judges from 10 cities were trained throughout the year. In addition, the Project is helping 20 communities in obtaining Collective Brand Certifications, and has trained 166 artisans on a wide variety of topics. The Project has not yet accomplished its target because activities in Colombia started the first months of 2011 and have not concluded yet. In that regard the Project is waiting for USAID's approval of a waiver to train policemen and district attorneys on IP matters.
4.2.1-5	Number of legal, regulatory, or institutional actions taken to improve implementation or compliance with international trade and investment agreements as a result of USG assistance.	3	0			The Project has put a hold on its activities regarding implementation of the Internet Service Providers Law, the Madrid Protocol and the Trademark Law Treaty as Colombian Institutions showed little receptivity towards implementing those regulations. Nevertheless, since the Trade Promotion Agreement with the U.S. has recently been passed, the Project will resume their implementation in support of local institutions.
4.6.1-5	Number of institutions/organizations undertaking capacity/competency strengthening as a result of USG assistance.	3	4			The Project has performed activities to strengthen capacities for the Superintendence of Industry and Commerce –SIC–, Antipiracy Agreement Institution, School of Judges Rodrigo Lara Bonilla and Colombian Crafts.